EXHIBIT E

DONOVAN & YEE • LLP

The Soho Building ▲ 110 Greene Street, Suite 700 ▲ New York, NY 10012 Telephone: 212-226-7700 A Fax: 212-226-1995 E-mail: aopp@yeellp.com

> Writer's Direct Dial: (212) 226-4271

> > October 5, 2007

VIA FACSIMILE (212) 226-5085

Robert L. Powley Powley & Gibson, P.C. 304 Hudson Street, 2nd Floor New York, NY 10013

RE: 1638/Anna Sui v. Forever 21, Inc. et. al.

Dear Mr. Powley:

We are writing to inform you of two more newly discovered Forever 21 garments that infringe on our client, Anna Sui Corp.'s, copyrighted designs. On October 4, 2007, we discovered item numbers 2043053244 (the "Fleur De Lis Babydoll") and 2040135264 (the 'Woven Floral Halter") (collectively "Infringing Products") offered for sale on Forever 21's website and in its stores (see Exhibit A). The Infringing Products copy Anna Sui's copyrighted Wallpaper Foulard Border and Cabbage Roses Bandana, both of which are already at issue in the current litigation between the parties and are attached exhibits to the First Amended Complaint (See Exhibits 18 and 19).

On behalf of our client, we demand that Forever 21 hereby cease all sales of the Infringing Products and arrange an immediate recall of the infringing merchandise from its sales floor within five (5) business days of your receipt of this correspondence. We also demand that Forever 21 provide us with the following information with regard to the **Infringing Products:**

- 1. The identity of the source for the Infringing Products if Forever 21 is not the
- 2. The price and total number of units of the Infringing Products that Forever 21 has purchased;
- 3. The price and total number of units of the Infringing Products that Forever 21 has sold; and
- 4. The total number of the Infringing Products that remains in Forever 21's inventory.

Robert Powley, Esq. Page 2

We must hear from you, in writing, within five (5) days of receipt of this letter acknowledging that all commercial activities with regard to the Infringing Products have been stopped. In the absence of such assurances, we will be compelled to recommend to our client that it take all appropriate steps to protect its rights.

Finally, we still have not received a response from you or your client with respect to our September 19, 2007 letter. Please immediately confirm that the Infringing Product (42420499012) identified in the letter has been removed from Forever 21's stores and website and provide us with the additional information requested in the September 19 letter.

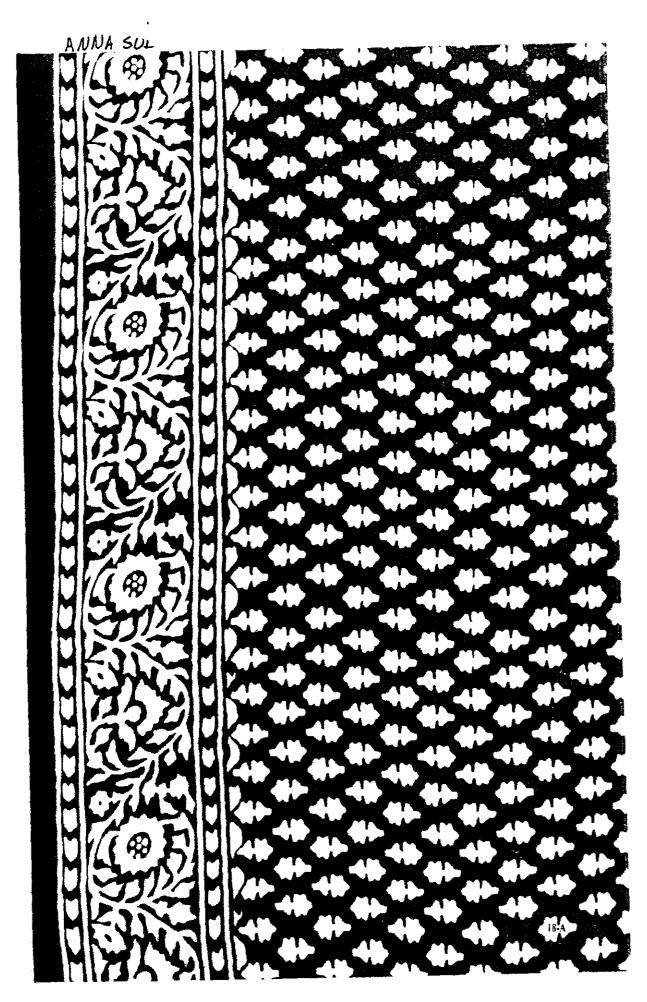
The demands made herein shall not waive or prejudice any rights or remedies which our client may have in respect of the subject matter hereof, all of which rights and remedies are hereby expressly reserved. We look forward to hearing from you and thank you in advance for your cooperation.

Cc: Marya Lenn Yee, Esq. Anna Sui Corp.

EXHIBIT A









************ TX REPORT **************

TRANSMISSION OK

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PGS. SENT RESULT

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DONOVAN & YEE ALLP

The Soho Building A 110 Greene Street, Suite 700 A New York, NY 10012 Telephone: 212-226-7700 A Fax: 212-226-1995 E-mail: sopp@yeellp.com

FAX COVER SHEET

Date: September 19, 2007

From: Amy C. Opp

Sender's Direct Dial: (212) 226-4271

Client/Matter: 1638/F21

No. of pages: 8

To: Robert Powley, Esq.

Company: Powley & Gibson, P.C.

City/Country: New York, NY

Fax Number: (212) 226-5085

Recipient's Tel:

MESSAGE:

Please see attached letter.

Amy Opp

From: James M. Gibson [jmgibson@powleygibson.com]

Sent: Saturday, October 27, 2007 12:59 PM

To: Amy Opp

Cc: David J. Lorenz; Robert L. Powley

Subject: FW: Anna Sui v. Forever 21 -- ORN. 329.1

Amy,

Further to our email below, Forever 21 has confirmed that it has issued instructions to remove the two items identified in your October 5, 2007 letter from its stores and from its website.

Thank you,

Jim

POWLEY & GIBSON, p.c. 304 Hudson Street 2nd Floor
New York, New York 10013
p (212) 226 - 5054
f (212) 226 - 5085
www.powleygibson.com

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Powley & Gibson, P.C., 304 Hudson Street, 2nd Floor, New York, New York 10013.

-----Original Message----From: David J. Lorenz

Sent: Thursday, October 25, 2007 4:30 PM

To: aopp@yeellp.com

Cc: Robert L. Powley; James M. Gibson

Subject: Anna Sui v. Forever 21 -- ORN. 329.1

Dear Amy,

In response to your October 25, 2007 letter, we note that, with no admission of liability or waiver of any of our clients' rights and solely for the purposes of promoting settlement in this litigation, Forever 21 issued instructions to recall the item identified in your September 19, 2007 letter and remove the item from Forever 21's website at the beginning of this month.

Regarding the Forever 21 items discussed in your October 5, 2007 letter, we will advise you as to the status of those items shortly.

Finally, our client has been unable to identify the items cited in Exhibits 11B (top, skirt, green top, blue dress and red dress), 12B (tank top), 15B (black spaghetti strap top), 18B (black spaghetti strap top), 20B (long sleeve top), 21, 23A and 24A to the Amended Complaint solely from the photographs in the Exhibits. As such, Forever 21 has not been able recall those items. Accordingly, we ask again that you please provide item numbers for the items shown in those Exhibits to assist Forever 21 in

identifying the items. We note that the list of recalled items previously provided to you by Emily Li does not include the items shown in the above Exhibits.

If you have any questions, please let us know.

Sincerely, Dave Lorenz

> POWLEY & GIBSON, p.c. 304 Hudson Street, 2nd Floor New York, New York 10013 p (212) 226 - 5054 f (212) 226 - 5085 www.powleygibson.com

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